

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:831
ANSWERED ON:27.07.2001
SHORT TERM LOANS TO COFFEE GROWERS
SWADESH CHAKRABORTTY

Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has been urged to issue necessary instructions to NABARD and commercial banks for rescheduling the short-term loans outstanding against the coffee growers especially in Kerala, so that their normal operations are not hit by falling prices; and

(b) if so, the steps taken to help the poor coffee growers?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN):

(a) and (b) Reserve Bank of India (RBI) has reported that the issue of rescheduling of the existing short-term loans to enable the coffee growers to tide over the problems faced by them on account of fall in international prices of coffee was examined by them and banks were specifically advised that they may restructure the borrowal accounts of coffee growers as per RBI guidelines for restructuring of bank dues of industrial manufacturers so that the coffee growers can get relief in the form of rescheduling and also avail of fresh loans for current season. In addition, a special State Level Bankers' Committee meeting was held in May, 2001 at Bangalore for impressing the urgent need for completing the exercise by the financing banks.